

Kennecott
Utah Copper
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RECEIVED

JUN 21 1991

WATER RIGHTS
SALT LAKE

June 20, 1991

Kennecott

Mr. Robert L. Morgan, P.E.
State Engineer
Division of Water Rights
1636 West North Temple, Suite 220
Salt Lake City, UT 84116-3156

RE: Distribution of Water Within the Utah Lake Drainage Basin

Dear Mr. Morgan:

Having attended your May 14, 1991 meeting regarding the subject issue and upon reviewing the brief handout that was provided, it is clear that major issues are before you and your staff. The meeting covered considerably more detail, in the form of charts and graphs, than is contained in your handout, which makes it difficult to analyze and understand the potential impact of your proposals.

I would like to say, on behalf of Kennecott Utah Copper Corporation, that we support your efforts in developing a plan to distribute the waters of the Utah Lake system on a priority basis, rather than on a political basis. In reviewing the materials you have provided, the following comments are offered for your consideration:

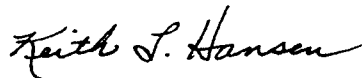
- 1) Industrial use is not set forth as a considered water right;
- 2) The water balance chart set forth on page three of the handout is out of balance by at least 13,750 acre feet. Kennecott's water right 59-3517, having a priority of 1853, has been omitted from the primary storage rights;
- 3) Although you reference early priority rights (those having an 1850 priority), the water balance chart does not reflect the acre foot quantity that needs to be considered in the distribution proposal;
- 4) Kennecott's water rights 59-23 (31,422.1 acre feet) and 59-30 (17,174.5 acre feet) required greater consideration than a footnote reference. These rights need to be included in any distribution plan you ultimately implement as you consider upstream storage by junior

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appropriators. Although not recently, because of operational changes, this water historically has drafted upon storage in Utah Lake and needs to be considered as part of your total water balance.

I appreciate the opportunity you have given in the review process of this critical issue. Please let me know when further meetings will be held or as supplemental handout materials are provided.

Very truly yours,

A handwritten signature in cursive script that reads "Keith L. Hansen".

K. L. Hansen
Manager, Property and
Water Resources

/CS

cc: W. Orchow